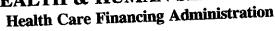
DEPARTMENT OF HEALTH & HUMAN SERVICES





Center for Medicaid and State Operations Family and Children's Health Program Group 7500 Security Boulevard Baltimore, MD 21244-1850

APR 26 1999

Charles M. Palmer
Director
State of Iowa
Department of Human Services
Hoover State Office Building
Des Moines, Iowa 50319-0114

Dear Mr. Palmer:

Thank you for your proposal, dated February 25, 1999, for an amendment to the State Children's Health Insurance Program under Title XXI of the Social Security Act. We are impressed with the efforts that Iowa has made to provide health care coverage to uninsured children. As you are aware, your proposal has been undergoing review by the Department of Health and Human Services. In order to proceed with our review, however, additional information will be required. The enclosure explains more fully the areas that require additional information and clarification.

Under section 2106 (c) of the Social Security Act, HCFA must either approve, disapprove, or request additional information on a proposed Title XXI State Plan or amendment within ninety days. This letter constitutes our notification that specified additional information is needed in order to fully assess your plan. The 90-day review period has been stopped by this request and will resume as soon as a substantive response to all of the enclosed questions is received. The members of the review team will be happy to answer any questions you may have in regard to this letter and to assist your staff in formulating a response.

Please send your response, either on disk or electronically, as well as in hard copy to Dan McCarthy, project officer for Iowa's Title XXI proposal. Mr. McCarthy's Internet address is: DMcCarthy@HCFA.GOV. His mailing address is:

Division of Integrated Health Systems Health Care Financing Administration Mail Stop S2-01-16 7500 Security Boulevard Baltimore, Maryland 21244-1850

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We appreciate the efforts of your staff and share your goal of providing health care to low income, uninsured children through Title XXI. If you have questions or concerns regarding the matters raised in this letter, your staff may contact Mr. McCarthy at (410) 786-2079. He will provide or arrange for any technical assistance that you may require in preparing your response.

Your cooperation is greatly appreciated.

Sincerely,

Richard Fenton Deputy Director

Enclosure

cc: Kansas City Regional Office

Questions and Comments on the Iowa HAWK-I Title XXI State Plan Amendment

Section 2. General Background and Description of State Approach to Child Health Coverage.

Section 2.3

- 1. HCFA has issued guidance ("Dear State Health Official" letter of September 10) that clarifies that a Social Security Number (SSN) must be supplied only by applicants for and recipients of Medicaid benefits. In all other cases, including non-applicant parents of children applying for Medicaid and children applying for a separate State CHIP program, States are prohibited from making the provision of an SSN of another family member a condition of eligibility. This also applies to other members of the household whose income might be used in making the child's eligibility determination.
 - The application referenced in this section and included as an attachment does not make it clear that providing SSNs is optional. Please clarify that SSNs will only be required for children applying for Medicaid.
 - 2. Section 2.3 of the approved plan indicated in the first paragraph that the State would monitor crowd-out for the Phase 1 portion of the plan. Does the State plan to continue to monitor for instances of crowd-out in Phase 1?

Section 4. Eligibility Standards and Methodology.

Section 4.3

Please describe when premiums are due, and what notification process takes place before someone is disenrolled for non-payment of premiums. Is there a waiting period for re-enrollment after being disenrolled for nonpayment of premiums? Is there a "due process" provision for disenrollment? Is there a "grace period" or other method used to account for hardship to families?

Section 4.4.3

4. The 6 month waiting period related to the crowd-out policy specifically references children who have dropped an "employer group health plan." How does this section pertain to individual health insurance being dropped without good cause?

Page 3 - Iowa CHIP Questions

- delete "Impact on Medicaid as a result of HAWK-I" or insert a footnote to explain this entry;
- include the percentage of the budget intended for administrative expenditures; and
- include updated information based upon February 15, 1999 HCFA 37 and 21B forms (historical actual expenditures and current projections of future quarters expenditures).